

VZCZCXYZ0002
PP RUEHWEB

DE RUEHTV #3606/01 3610554
ZNR UUUUU ZZH
P 270554Z DEC 07
FM AMEMBASSY TEL AVIV
TO RUEHC/SECSTATE WASHDC PRIORITY 4728
RHEHAAA/WHITE HOUSE WASHDC PRIORITY
RHEHNSC/WHITE HOUSE NSC WASHDC PRIORITY
RUEAIIA/CIA WASHDC PRIORITY
RUEKJCS/SECDEF WASHDC PRIORITY
RUEAHQA/HQ USAF WASHINGTON DC PRIORITY
RUEADWD/DA WASHDC PRIORITY
RHMFIUU/CNO WASHINGTON DC PRIORITY
RHEFDIA/DIA WASHINGTON DC PRIORITY
RUEKJCS/JOINT STAFF WASHDC PRIORITY
RUEHAD/AMEMBASSY ABU DHABI PRIORITY 3178
RUEHAS/AMEMBASSY ALGIERS PRIORITY 9839
RUEHAM/AMEMBASSY AMMAN PRIORITY 3358
RUEHAK/AMEMBASSY ANKARA PRIORITY 3947
RUEHLB/AMEMBASSY BEIRUT PRIORITY 3199
RUEHEG/AMEMBASSY CAIRO PRIORITY 1329
RUEHDM/AMEMBASSY DAMASCUS PRIORITY 3937
RUEHLO/AMEMBASSY LONDON PRIORITY 0788
RUEHFR/AMEMBASSY PARIS PRIORITY 1262
RUEHRB/AMEMBASSY RABAT PRIORITY 7822
RUEHRO/AMEMBASSY ROME PRIORITY 5288
RUEHRH/AMEMBASSY RIYADH PRIORITY 0206
RUEHTU/AMEMBASSY TUNIS PRIORITY 4334
RUCNDT/USMISSION USUN NEW YORK PRIORITY 6278
RUEHJM/AMCONSUL JERUSALEM PRIORITY 8696
RHMFISS/CDR USCENTCOM MACDILL AFB FL PRIORITY
RHMFISS/COMSOCEUR VAIHINGEN GE PRIORITY
RHMFIUU/COMSIXTHFLT PRIORITY

UNCLAS TEL AVIV 003606

SIPDIS

STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM
NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA
HQ USAF FOR XXXX
DA WASHDC FOR SASA
JOINT STAFF WASHDC FOR PA
CDR USCENTCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR
COMSOCEUR VAIHINGEN GE FOR PAO/POLAD
COMSIXTHFLT FOR 019

JERUSALEM ALSO ICD
LONDON ALSO FOR HKANONA AND POL
PARIS ALSO FOR POL
ROME FOR MFO

SIPDIS
E.O. 12958: N/A
TAGS: [OPRC](#) [KMDR](#) [IS](#)

SUBJECT: ISRAEL MEDIA REACTION

Please note: Block Quotes only.

SUBJECTS COVERED IN THIS REPORT:

[1](#)1. Mideast

[1](#)2. U.S.-Israel Relations

[1](#)1. Mideast:

Summary:

Diplomatic correspondent Aluf Benn wrote on page one of the independent, left-leaning Ha'aretz: "The government is opting for inaction [on settlement construction] until after Bush's visit."

Ha'aretz editorialized: "Egypt is not an enemy country, or even a rival that needs to be slapped down. It is worthy of Israel's trust."

Maj. Gen. (ret.) Giora Eiland, former director of Israel's National Security Council, wrote in the mass-circulation, pluralist Yediot Aharonot: "More determined American statements on the issue of smuggling are a condition for changing the situation.... The peace agreement with Egypt is an important asset and must be preserved. Nevertheless, we shouldn't live with illusions about 'what Egypt really wants.'"

Chief Economic Editor Sever Plotker opined in Yediot Aharonot: "Few leaders in Israel understand the full significance of the hourglass that is running out for a solution of 'two states for two peoples.'"

Block Quotes:

I. "Waiting for Bush"

Diplomatic correspondent Aluf Benn wrote on page one of the independent, left-leaning Ha'aretz (12/26): "Prime Minister Ehud Olmert is scheduled to meet Palestinian President Mahmoud Abbas on Thursday in an attempt to solve the so-called settlement crisis that has plagued negotiations since the Annapolis summit late last month.... In the framework of the mutual accusations between the two parties, the Palestinians are trying to portray Israel as intransigent in its refusal to stop its settlements while trying to establish a fait accompli. Official sources in Jerusalem say the imbroglio [around construction in the Jerusalem neighborhood of] Har Homa is the result of a decision by low-ranking government bureaucrats in the Housing Ministry.... Moreover, the Har Homa affair exposed the differences in the perceptions that both parties adhere to. As far as Israel is concerned, the neighborhood is an integral part of unified Jerusalem, and not part of the territories.... To the Palestinians, construction in the territories is an obstacle to peace and an act that jeopardizes the negotiations. In addition, the Palestinians realize that Israel -- which is expecting its first visit by U.S. President George W. Bush next month -- is at a disadvantage internationally as far as settlements are concerned. Their objective is to dominate the headlines until Bush arrives. But the problem goes deeper than head-butting in the media. Israel has demanded that the Palestinians fulfill their duties according to the Roadmap plan for peace, which the U.S. devised for both parties. But Israel has failed to meet its own obligations such as the evacuation of settlements, a total freeze on all construction in the territories, and allowing the Palestinians to reopen their institutions in East Jerusalem. Each of these moves carries a political price that could cause Olmert's coalition partners -- mainly Shas and Yisrael Beiteinu -- to jeopardize his government. Meanwhile, the government is opting for inaction until after Bush's visit."

II. "A Partner, Not a Rival"

Ha'aretz editorialized (12/26): "Egypt, which is fighting radical terrorists in its own country and deals harshly with the Muslim Brotherhood, of which Hamas is an offshoot, does not want Hamas's military wing to get stronger, and certainly does not want the small terrorist groups nourished by collaborators in Sinai to get stronger.... At the same time, Egypt is also active in the political sphere. It is continuing its attempts to reconcile Fatah and Hamas in an effort to establish a Palestinian unity government that would take overall responsibility for security. Egypt is also continuing its efforts to bring about the release of captive Israeli soldier Gilad Shalit via negotiations with the organizations responsible for his abduction.... Barak's meeting in Egypt, then, has two purposes:

demonstrating the importance of the alliance between Israel and

Egypt by reviving a positive atmosphere between the two countries, and creating an infrastructure for effective cooperation against terrorism in the Gaza Strip. Egypt is not an enemy country, or even a rival that needs to be slapped down. It is worthy of Israel's trust."

III. "Cairo's Double Game"

Maj. Gen. (ret.) Giora Eiland, former director of Israel's National Security Council, wrote in the mass-circulation, pluralist Yediot Aharonot (12/26): "It is convenient for Egypt that Israel bleed, it is convenient that the conflict continue, it is convenient that Israel be forced to undertake military activities that elicit international condemnation. Against this background, it is possible to understand Egyptian carelessness in all matters relating to arms smuggling to Gaza. Professionally, it's easy to close the border.... Egypt has fairly good intelligence information on the people behind the smuggling, but it makes no effort to arrest them. And when it does arrest them already, it releases them a short time later. The efficiency of the Egyptian security forces is high as long as this serves Egypt's true interests. These interests, as said, don't exist with regard to preventing weapons from entering Gaza. What can be done? The controlled crisis that Foreign Minister [Tzipi Livni] created is the right thing to do, but true effective action can only be taken by the Americans. As we know, Egypt receives USD 1.3 billion in security aid from the United States. Since the September 11 terror attacks, the U.S. Congress has more and more reservations about the benefit the U.S. derives in return for this aid. More determined American statements on the issue of smuggling are a condition for changing the situation. Israel does not have to break all the rules. The peace agreement with Egypt is an important asset and must be preserved. Nevertheless, we shouldn't live with illusions about 'what Egypt really wants.'"

IV. "Israel's Existential Need"

Chief Economic Editor Sever Plotker opined in Yediot Aharonot (12/26): "[The Palestinians'] demands at this time focus on the full and scrupulous implementation of the hated Paris agreement: free passage of goods, services, people and capital between the territories and Israel. Just remove the roadblocks, they told us, and everything will be fine. We don't need any separation fence, any wall or economic border between you and us. One economy for two peoples, as they see it, is a stage in the path to one state for two peoples. The Saudis, the Qataris, the Europeans, and even the Americans understand this. They realize that only a short time is left to save the idea of a Palestinian state on its own and a Jewish state on its own. This explains the willingness displayed by the West to donate billions of dollars to rehabilitate and strengthen the Palestinian economy as a separate economic entity. It was not for love of Palestine that the donor countries promised to give Abu Mazen's shaky government the fantastic sum of USD 7.5 billion in aid. This money is meant mainly to serve one goal: to prevent the collapse of the 'partition plan' and to hasten the establishment of a Palestinian state alongside Israel before it is too late. And it may already be too late. One of the most indubitable signs of the change in approach of the public opinion shapers in the Arab world is the move from using the word 'occupation' to using the word 'apartheid'.... Few leaders in Israel understand the full significance of the hourglass that is running out for a solution of 'two states for two peoples.' As for the general public, it assumes that a full divorce agreement has already been reached with the Palestinians.... This is self-delusion: a new and dangerous reality is being created here of 'two administrations for one state,' from which the path is short to one bi-national state. On the state's 60th anniversary, forming an independent Palestinian state that is separate from Israel has become an existential need, not for the Palestinians, but for the Jews."

12. U.S.-Israel Relations:

Summary:

Columnist Michael Freund, who was an assistant to former prime minister Binyamin Netanyahu, wrote in the conservative, independent Jerusalem Post: "Our government seems to show more concern for what the U.S. State Department thinks than what the Israeli public deserves."

Block Quotes:

"Better 'Steroids Diplomacy' than 'Shtetl Diplomacy'"

Columnist Michael Freund, who was an assistant to former prime minister Binyamin Netanyahu, wrote in the conservative, independent Jerusalem Post (12/26): "To some extent, all this back-and-forth trekking by American officials brings to mind Henry Kissinger's 'shuttle diplomacy' after the Yom Kippur War, when he sought to bring about the signing of an interim agreement between Israel and Egypt. But in fact what we are witnessing now is something much worse. It is what I refer to as 'shtetl diplomacy,' which is when the sovereign government of the State of Israel reverts back to the age of Jewish powerlessness in 19th century Eastern Europe and acts accordingly. Instead of doing what is in Israel's best interests, such as strengthening the Jewish presence in Jerusalem and putting an end to Palestinian rocket attacks on Sderot and the Negev, the government turns to Washington for its marching orders. The result is that our government seems to show more concern for what the U.S. State Department thinks than what the Israeli public deserves.... Given the way in which they have been conducting themselves of late, a bit of 'steroids diplomacy' might just give our feeble leaders the boost they need to stop retreating and to start fighting for what is rightfully ours."

JONES